

INFORMATION REPORT

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PROJECT Production at Atzgersdorf Edible Oil and Margarine Factory, Oesterreichische Unilever A.G.

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1. From January to August 1949, production at the Atzgersdorf edible oil and margarine factory of the Oesterreichische Unilever A.G., a USIA-controlled firm, was as follows:

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	Tons
Oil seeds processed	24,000
Output of refinery	10,000
Margarine and refined oil	11,000
Total	45,000

This production constituted ninety per cent capacity of the factory.

2. The output of this factory is sold to the Austrians except for 1.6 per cent of oil which is purchased by USIA.
3. During 1947 and 1948, and to some extent in 1949, the oil produced at the Atzgersdorf factory, amounting to approximately 250 tons yearly, was used by the USIA soap factories of Kaloderma, Riva, and Bruhn & Schweitzer. Their output of soap, about 400 tons a year, was sold on the Austrian black market at high prices, yielding a profit of approximately three million schillings annually. Since the middle of 1949, however, the black market for soap has disappeared, thus depriving USIA of this source of revenue.
4. Raw materials are obtained mainly through ECA channels. The Oesterreichische Unilever A.G. pays USIA headquarters, for the processing of these raw materials by the Atzgersdorf factory, an average amount of one schilling for each kilo of finished oil and fat received by Unilever. From the sums thus collected, USIA pays the operating expenses of the Atzgersdorf factory, thus realizing a profit estimated to be four million schillings yearly.
5. USIA does not pay a profit tax, but Unilever continues to pay property and capital taxes on the Atzgersdorf factory.
6. The Soviets have not removed any equipment from the factory, nor have they supplied any equipment.

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7. There is no evidence of Soviet intention to link the Atzgersdorf factory with the economy of the satellite countries.

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